

# Exhibit B

## Technical Adjustments to the 2016-17 Approved Budget

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### Summary

Below are Technical Adjustments. Technical Adjustments are changes to the Approved Budget that come as recommendations from staff. Each item below has a brief description and then details the change to the Schedule of Appropriations. Please note that each adjustment is presented with its impact, they are not cumulative.

### City Operations

**#1. System Infrastructure Budgets**-An additional appropriation is required to budget for system infrastructure work in the Capital Improvement Program. The system infrastructure budget accounts for staff time related to unidentified capital projects such as preliminary engineering work. A total of \$241,699 is needed among the following funds: Stormwater Fund {\$96,111}; Sanitary Sewer Fund {\$46,111}; Parks SDC {\$50,319}; Water Fund {\$49,158}. Reserves in the above-mentioned funds will decrease by their corresponding amounts. In addition, transfers from the Parks SDC Fund to the Parks Capital Fund will increase by \$50,319, and \$49,158 from the Water Fund to the Water CIP Fund.

### Stormwater Fund

Program	Approved	Recommended Council Change	Recommended Adopted
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	1,999,819	0	1,999,819
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	215,286	0	215,286
Capital Improvements	862,000	96,111	958,111
Contingency	200,000	0	200,000
<b>Total Fund</b>	<b>\$3,277,105</b>	<b>\$96,111</b>	<b>\$3,373,216</b>

**Sanitary Sewer Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	2,181,253	0	2,181,253
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	164,726	0	164,726
Capital Improvements	900,000	46,111	946,111
Contingency	400,000	0	400,000
<b>Total Fund</b>	<b>\$3,645,979</b>	<b>\$46,111</b>	<b>\$3,692,090</b>

**Parks SDC Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	930,726	50,319	981,045
Capital Improvements	0	0	0
Contingency	100,000	-50,319	49,681
<b>Total Fund</b>	<b>\$1,030,726</b>	<b>\$0</b>	<b>\$1,30,726</b>

**Parks Capital Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	0	0	0
Capital Improvements	2,922,000	50,319	2,972,319
Contingency	0	0	0
<b>Total Fund</b>	<b>\$2,922,000</b>	<b>\$50,319</b>	<b>\$2,972,319</b>

**Water Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	7,249,963	0	7,249,963
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	10,917,509	49,158	10,966,667
Capital Improvements	0	0	0
Contingency	500,000	0	500,000
<b>Total Fund</b>	<b>\$18,667,472</b>	<b>\$49,158</b>	<b>\$18,716,630</b>

**Water CIP Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	51,935	0	51,935
Capital Improvements	10,346,000	49,158	10,395,158
Contingency	0	0	0
<b>Total Fund</b>	<b>\$10,397,935</b>	<b>\$49,158</b>	<b>\$10,447,093</b>

**#2: Community Planning & Development Grant (CPDG)** – In March 2016, the city was awarded a CPDG in the amount of \$145,250 to implement the Tigard Triangle Strategic Plan. Implementation deliverables include a Streetscape Design, Opportunity Site Analysis, and an Urban Renewal Plan. A total of \$36,250 was appropriated in the FY 2016 Adopted Budget. This adjustment will recognize the remaining revenue and expense of \$109,000 in the Community Development program budget in FY 2017.

**General Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$837,595	\$0	\$837,595
Comm. Develop.	3,646,043	109,000	3,755,043
Comm. Services	22,689,234	0	22,689,234
Public Works	4,289,438	0	4,289,438
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	1,530,439	0	1,530,439
Capital Improvements	0	0	0
Contingency	1,173,000	0	1,173,000
<b>Total Fund</b>	<b>\$34,165,748</b>	<b>\$109,000</b>	<b>\$34,274,748</b>

### **#3: Limited Duration Risk Assistant – Risk Management**

A .50 fulltime equivalent (FTE) Limited Duration Risk Assistant position is being requested in order to replace staff reductions resulting from the retirement of a long term employee as well as the transfer of a full time position to the City Manager's office. As a result, Risk has gone from a staffing level of 2.30 FTE to a 1.50 FTE which makes it difficult to manage the on-going risk related duties and address complex caseloads. The additional .50 FTE Limited Duration Risk Assistant will help to meet the daily needs of the division as well as allow time to better assess the long-term needs of the department. The position will be partially paid by underfilling a 40 hours/week position at 32 hours/week in Human Resources. To pay the remainder of the 0.5FTE increase, a one-time transfer of \$31,000 is being requested from the Insurance Fund that will be used to pay for the limited duration position. Transfers will increase with an increase in the Central Services Fund of \$41,168 in the Policy and Administration program expenditures.

#### **Insurance Fund**

Program	Approved	Recommended Council Change	Recommended Adopted
Policy & Admin.	\$50,000	\$0	\$50,000
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	270	31,000	31,270
Capital Improvements	0	0	0
Contingency	25,000	-25,000	0
<b>Total Fund</b>	<b>\$75,270</b>	<b>\$6,000</b>	<b>\$81,270</b>

#### **Central Services Fund**

Program	Approved	Recommended Council Change	Recommended Adopted
Policy & Admin.	\$8,041,081	\$41,168	\$8,082,249
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	0	0	0
Capital Improvements	0	0	0
Contingency	250,000	0	250,000
<b>Total Fund</b>	<b>\$8,291,081</b>	<b>\$41,168</b>	<b>\$8,332,249</b>

## Capital Improvement Program (CIP) – Carry forwards

Carry forwards are items that are budgeted in FY 2015-16, but will not be completed during the fiscal year. Since the budget for these items is not fully expended, the ending fund balance in FY 2015-16 is higher by the amount of unexpended budget. This then creates a higher beginning fund balance for FY 2016-17. The additional beginning fund balance is the resource that offsets the added expenditure in FY 2016-17. These items do not impact the ending fund balance for FY 2016-17.

### #1. Streets System

A carry forward totaling \$88,000 is required to pay for the continued widening of the roadway along with the replacement of the waterline for the 95023-Walnut Street Improvements project. As a result, the beginning fund balance within the following funds will increase: Gas Tax {\$5,280}, Underground Utility {\$74,800}, Stormwater {\$5,280}, and Water {\$2,640}. In turn, transfers will increase with an increase in capital program expenditures by \$88,000 in the Transportation CIP fund.

#### Underground Utility Fund

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	249,339	74,800	324,139
Capital Improvements	0	0	0
Contingency	50,000	-50,000	0
<b>Total Fund</b>	<b>\$299,339</b>	<b>\$24,800</b>	<b>\$324,139</b>

#### Gas Tax Fund

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	2,243,370	0	2,243,370
Debt Service	584,561	0	584,561
Loan to CCDA	0	0	0
Transfers	1,019,001	5,280	1,024,281
Capital Improvements	0	0	0
Contingency	200,000	0	200,000
<b>Total Fund</b>	<b>\$4,046,932</b>	<b>\$5,280</b>	<b>\$4,052,212</b>

**Stormwater Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	1,999,819	0	1,999,819
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	215,286	5,280	220,566
Capital Improvements	862,000	0	862,000
Contingency	200,000	0	200,000
<b>Total Fund</b>	<b>\$3,277,105</b>	<b>\$5,280</b>	<b>\$3,282,385</b>

**Water Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	7,249,963	0	7,249,963
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	10,917,509	2,640	10,920,149
Capital Improvements	0	0	0
Contingency	500,000	0	500,000
<b>Total Fund</b>	<b>\$18,667,472</b>	<b>\$2,640</b>	<b>\$18,670,112</b>

**Transportation CIP Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	200,000	0	200,000
Capital Improvements	7,172,044	88,000	7,260,044
Contingency	0	0	0
<b>Total Fund</b>	<b>\$7,372,044</b>	<b>\$88,000</b>	<b>\$7,460,044</b>

## **#2. Parks System**

A carry forward of a \$33,000 Department of Environmental Quality (DEQ) grant is being requested for work on the 92016-03-Oak Savanna Overlook at Dirksen Nature Park. In addition, a total of \$105,000 is being carry forward from FY 2016 into FY 2017 for the 92046-Fanno Creek Trail Connection project that was awarded the \$4.4M Regional Flexible Funds (RFFA) grant. As a result, the beginning fund balance in the Parks SDC fund will increase by \$105,000. Transfers will increase. Capital program expenditures will increase by \$138,000 within the Parks Capital Fund.

### **Parks SDC Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	930,726	105,000	1,035,726
Capital Improvements	0	0	0
Contingency	100,000	-2,000	98,000
<b>Total Fund</b>	<b>\$1,030,726</b>	<b>\$103,000</b>	<b>\$1,133,726</b>

### **Parks Capital Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	0	0	0
Capital Improvements	2,922,000	138,000	3,060,000
Contingency	0	0	0
<b>Total Fund</b>	<b>\$2,922,000</b>	<b>\$138,000</b>	<b>\$3,060,000</b>

### **#3. Sanitary Sewer System**

A total of \$214,000 is being carried over for the 93013-East Tigard Sewer Replacement project {\$45,000}; and the 93054-Walnut Street Sanitary Sewer project {\$169,000}. As a result, the beginning fund balance in the Sanitary Sewer Fund will increase by \$214,000 with an equal increase in capital program expenditures.

#### **Sanitary Sewer Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	2,181,253	0	2,181,253
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	164,726	0	164,726
Capital Improvements	900,000	214,000	1,264,000
Contingency	400,000	0	400,000
<b>Total Fund</b>	<b>\$3,645,979</b>	<b>\$214,000</b>	<b>\$3,859,979</b>

### **#4. Stormwater System**

A carryover of \$92,500 is needed to continue construction of the storm drainage system for the 94033-Canterbury Lane Storm Line Upgrade project. This action will show an increase in the beginning fund balance by \$92,500 in the Stormwater Fund with an equal increase in capital program expenditures.

#### **Stormwater Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	1,999,819	0	1,999,819
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	215,286	0	215,286
Capital Improvements	862,000	92,500	954,500
Contingency	200,000	0	200,000
<b>Total Fund</b>	<b>\$3,277,105</b>	<b>\$92,500</b>	<b>\$3,369,605</b>



## **#5. Water System**

The 96046-Red Rock Creek Waterline Relocation project requires a carry forward of \$37,000 for continued design work. As a result, the beginning fund balance within the Water Fund will increase by \$37,000. Transfers will increase with an increase in capital expenditures of \$37,000 in the Water CIP Fund.

### **Water Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	7,249,963	0	7,249,963
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	10,917,509	37,000	10,954,509
Capital Improvements	0	0	0
Contingency	500,000	0	500,000
<b>Total Fund</b>	<b>\$18,667,472</b>	<b>\$37,000</b>	<b>\$18,704,472</b>

### **Water CIP Fund**

<u>Program</u>	<u>Approved</u>	<u>Recommended Council Change</u>	<u>Recommended Adopted</u>
Policy & Admin.	\$0	\$0	\$0
Comm. Develop.	0	0	0
Comm. Services	0	0	0
Public Works	0	0	0
Debt Service	0	0	0
Loan to CCDA	0	0	0
Transfers	51,935	0	51,935
Capital Improvements	10,346,000	37,000	10,383,000
Contingency	0	0	0
<b>Total Fund</b>	<b>\$10,397,935</b>	<b>\$37,000</b>	<b>\$10,434,935</b>